

## Message Text

CONFIDENTIAL

PAGE 01 LAGOS 03595 221124Z  
ACTION A-01

INFO OCT-01 AF-10 ISO-00 SSO-00 CCO-00 SS-15 CPR-01  
PA-01 NSCE-00 OPR-02 /031 W  
-----082215 221141Z /21  
O 211240Z MAR 78 ZFF-4  
FM AMEMBASSY LAGOS  
TO SECSTATE WASHDC NIACT IMMEDIATE 7323

C O N F I D E N T I A L LAGOS 3595

STATE PASS WHITE HOUSE

E.O. 11652: GDS  
TAGS: OVIP (CARTER, JIMMY)  
SUBJECT: VISIT TO NIGERIA: BRIEFING PAPERS FOR PRESIDENT

REF: CHAVEAS-EASUM LETTER, MARCH 15, 1978

1. ON THE WHOLE WE FIND PRESIDENTIAL MEMO AND BACKGROUND PAPERS  
(TRANSMITTED UNDER COVER OF REF LETTER) ON TARGET AND COMPREHENSIVE.  
MHOWEVER, AS FORMAT OF PRESIDENTIAL TALKS NOW CONSISTS OF TWO  
SESSIONS (MULTILATERAL/POLITICAL ON APRIL 1,BILATERAL/ECONOMIC  
ON APRIL 2) WE SUGGEST FOLLOWING REVISIONS IN THE ORDER OF  
PRESENTATION AND IN PORTIONS OF THE TEXT:

2. WE RECOMMEND THAT ATAPRIL 2 MEETING PRESIDENT DISCUSS  
ISSUES IN FOLLOWING ORDER: U.S. INVESTMENT(ITEM 12),  
U.S.-NIGERIAN ECONOMIC COOPERATION (ITEM 11), OIL PRICES (ITEM 7),  
MTN (ITEM 8), AND NORTH-SOUTH ISSUES (ITEM 9).

3. GIVEN OBASANJO'S INTEREST, EXTENT OF MATERIAL, AND TIGHT  
TIME CONSTRAINTS, WE URGE CHANGES TO SHARPEN THE TALKING  
POINTS FOR U.S. INVESTMENT AND U.S.-NIGERIAN ECONOMIC COOPERA-  
TION. CURRENT VERSIONS OF STATEMENTS OF OBJECTIVES, NIGERIAN  
OBJECTIVES AND ESSENTIAL FACTORS CAN REMAIN AS PRESENTLY  
DRAFTED WITH ONLY MINOR ADDITIONS NEEDED TO SUPPORT NEW  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LAGOS 03595 221124Z

TALKING POINTS.

4. SUGGESTED 'POINTS TO BE MADE' UNDER U.S. INVESTMENT:  
A. WE RECOGNIZE AND SHARE YOUR DESIRE FOR GREATER AMERICAN  
COMMITMENT TO INVESTING IN NIGERIA. WE ARE ENCOURAGING INVEST-  
MENT IN THE PRODUCTIVE SECTOR TO HASTEN TECHNOLOGY TRANSFER.  
WE ARE PLEASED BY SEVERAL NEW EXAMPLES OF INVESTMENT INTEREST:

--IN CONSTRUCTION, GLOBALLY-RECOGNIZED U.S. FIRMS LIKE BECHTEL AND DRAVO ARE CLOSE TO FORMING JOINT VENTURES WITH THE FEDERAL MINISTRY OF WORKS.

--THE FIRST NATIONAL BANK OF BOSTON IS ABOUT TO FORM THE NIGERIAN-AMERICAN MERCHANT BANK (WHOSE OWNERSHIP WILL BE SHARED WITH PRIVATE NIGERIAN MAJORITY SHAREHOLDERS) TO PROVIDE LONG-TERM FINANCING.

--THERE IS SIGNIFICANT JOINT VENTURE EXPANSION IN AGRIBUSINESS, SEAFOOD, AND PHARMACEUTICALS.

--THE FORD MOTOR COMPANY HAS PROPOSED A TRACTOR PLANT AND A VEHICLE PLANT.

B. OBSTACLES OR DISINCENTIVES TO INVESTMENT EXIST. WE SHOULD WORK TOGETHER TO RESOLVE THEM. SOME CONSTRUCTIVE STEPS WE CAN TAKE ARE AS FOLLOWS:

--OPIC, OUR INVESTMENT INSURANCE AND PROMOTION ORGANIZATION, HAS PROPOSED A SIMPLER, FASTER FMG APPROVAL PROCESS FOR INVESTMENT INSURANCE APPLICATIONS. IF THIS PROCEDURE IS ACCEPTED, AMERICAN INVESTORS WOULD BE ENCOURAGED. AS OF NOW, 31 U.S. FIRMS ARE WAITING FOR FMG APPROVAL OF THEIR JOINT VENTURE APPLICATIONS.

--MORE LIBERAL EXPATRIATE QUOTAS AND MULTI-ENTRY VISAS WOULD FACILITATE IMPROVED TRAINING, MANAGEMENT AND MOBILITY.

--GUARANTEES OF INDIVIDUAL FOREIGN INVESTMENTS, PROTECTING EACH AGAINST RESTRICTIVE CHANGES FOR A SET PERIOD OF TIME, WOULD SPUR INVESTMENT INTEREST. THIS APPROACH HAS BEEN EFFECTIVELY USED IN JAPAN, GREECE AND OTHER COUNTRIES.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LAGOS 03595 221124Z

--EXPANDED PORT ACCESS WOULD BE BENEFICIAL TO BOTH INVESTMENT AND TRADE. AMERICA WEST AFRICA CONFERENCE IS LIMITED TO ONE RESERVED BERTH WHILE EUROPEAN LINES HAVE FIVE.

--PROBLEM CASES SUCH AS AMERICAN INSURANCE GROUP SHOULD BE SETTLED AS CONTINUING DISPUTE DISCOURAGES OTHER INVESTORS. THE AIG COMPANY HAS DEVELOPED A COMPROMISE PROPOSAL WHICH MERITS CONSIDERATION.

--PETROLEUM IS CRUCIAL TO BOTH OUR COUNTRIES. ADDITIONAL INCENTIVES FOR PRODUCERS AND MAINTENANCE OF PREVIOUS AGREEMENTS WOULD ACCELERATE OIL FIELD DEVELOPMENT.

5. SUGGESTED 'POINTS TO BE MADE' UNDER ECONOMIC COOPERATION:

A. WE WELCOME THE DEGREE OF UNDERSTANDING REACHED SINCE OCTOBER ON INCREASED ECONOMIC COLLABORATION. WE ENVISION A POSITIVE SERIES OF MEASURES TO MOVE FURTHER FORWARD:

--BILATERAL WORKING GROUPS HAVE BEEN FORMED ON INVESTMENT, TRADE, TRANSFER OF TECHNOLOGY, AGRICULTURE AND RURAL DEVELOPMENT AND EDUCATION. WE HOPE THAT THE NIGERIAN GROUPS CAN GO TO THE U.S. AT THE END OF APRIL OR BEGINNING OF MAY FOR INTENSIVE TALKS.

--OTHER FORTHCOMING EVENTS ARE THE NIGERIAN-AMERICAN CHAMBER OF COMMERCE TRADE MISSION TO U.S. IN JUNE AND A BILATERAL

DEVELOPMENT/INVESTMENT CONFERENCE IN LAGOS IN MID-DECEMBER,  
COMBINING LEADERS OF BOTH PRIVATE AND GOVERNMENT SECTORS.  
--WE LOOK FORWARD TO FORMULATING ADDITIONAL REIMBURSABLE  
ASSISTANCE PROGRAMS PARTICULARLY IN THE AGRICULTURAL SECTOR.  
SUCCESSFUL EXAMPLES ALREADY INCLUDE MAPPING OF THE NEW CAPITAL  
AREA AND PLACEMENT OF 1,000 NIGERIAN STUDENTS FOR MIDDLE LEVEL  
TECHNICAL TRAINING. PROJECTS UNDER DISCUSSION INCLUDE WATER-  
WAYS DEVELOPMENT, THE STRUCTURING OF A DATA-GATHERING SYSTEM, AND  
RECRUITING AND SALARY SUPPLEMENTATION FOR PROFESSORS IN  
NIGERIA'S UNIVERSITY SYSTEM.  
--WE APPLAUD NIGERIA'S COMMITMENT TO REGIONAL ECONOMIC  
DEVELOPMENT THROUGH ECOWAS. WE ARE FULLY PREPARED TO DISCUSS  
WITH THE LEADERSHIP OF ECOWAS WAYS IN WHICH THE U.S. CAN  
ASSIST IN ITS WORK.  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 LAGOS 03595 221124Z

6. IN THE EVENT THAT ABOVE REVISED TALKING POINTS EXPAND THE  
PRESIDENTIAL MEMO BEYOND PERMISSIBLE LIMITS, WE SUGGEST THAT  
SOME 'OBJECTIVES' AND 'ESSENTIAL FACTORS' SECTIONS  
MIGHT BE PARED BACK. IN ADDITION, WE BELIEVE ECONOMIC BOYCOTT OF  
SOUTH AFRICA IS NO LONGER ACTIVE ISSUE (LAGOS 1156) RAISING  
IT AT THIS TIME WOULD NEEDLESSLY HIGHLIGHT AN EXTREMELY SENSITIVE  
SUBJECT WHEN IT IS BEING QUIETLY SWEEPED UNDER THE RUG. WE THUS  
RECOMMEND TRANSFERRING ITEM 5 TO THE BACKGROUND PAPERS  
PACKAGE, PERMITTING THE SAVING OF A FULL PAGE FOR MORE  
TIMELY ISSUES.  
EASUM

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978LAGOS03595  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780126-0066  
**Format:** TEL  
**From:** LAGOS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780343/aaaabkjd.tel  
**Line Count:** 148  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 23d360c3-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION A  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3258170  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VISIT TO NIGERIA: BRIEFING PAPERS FOR PRESIDENT  
**TAGS:** OVIP, (CARTER, JIMMY)  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/23d360c3-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014